Checkstand merchandising study

Exploiting the value of the checkstand

Continued from page 17

For example, when asked to indicate the biggest factor in their choice of products 60% spontaneously mentioned "impulse appeal." Turnover came next, cited by 33% of the survey respondents. Profitability was mentioned by only 17%.

Less important considerations for checkout selection were security, cited by 10%, tradition (10%) and price/value (10%).

But a somewhat different picture emerged when survey participants were prompted with a list of factors and asked to rate them in importance. "Impulse purchase appeal" remained the key criterion, selected as very/somewhat important by 93% of those interviewed. Equally important was "broad consumer appeal and inventory turned."

But gross margin, the basic yardstick of profitability, scored much higher when respondents were prompted with a list than when they were asked to cite factors spontaneously. Seventy-seven per cent of them said gross margin was very/somewhat important. Other factors that elicited relatively high scores were "risk of theft" (67%) and "sales per square foot" (63%).

Less important in the execs' estimation were such factors as small size of the product, cited as very/somewhat important by half of the respondents; display allowances (43%); low ticket price (37%); availability of manufacturer displays (33%), and manufacturer service (13%).

Among the product categories rated in terms of gross profit dollars generated, candy/gum led by a wide margin. Respondents were asked to list their five most profitable checkout categories in order. The most profitable item on each list was designated with a five, the second with a four and so on. On that basis, candy/gum received an average profitability of 3.2. The next two most profitable categories were batteries and cigarettes each received an average profitability rating of 1.9. Film was the only other category to get more than a one rating (1.2), but the relatively low ratings of all major categories was more the result of a dominance by the top category than lack of profitability of the others.

Candy/gum, cigarettes, batteries and film turned up on so many of the lists with high marks that it didn't leave much for all the remaining categories. Others that received at least some mention were razor blades, sunglasses, cigarette lighters, health & beauty aids trial sizes, pens, snacks, lip balms, diet aids, games and nail clippers.

Not all of those categories

Continued on page 21

Facts about chain drug checkouts

• Average number of registers per checkout area:	4.5
• Checkstand sales as percentage of total store:	2.8%
• % of chain respondents who vary merchandise from checkout counter to checkout counter:	64%
• % of chains who cross-merchandise checkstand items in other store areas:	73%
• % of chains who have one buyer solely responsible for main checkout area:	14%

Source: *Drug Store News* survey

MORE CASH PER FLICK.

What are you going to hand the customer who comes in looking for a lighter?

Some brand he's never heard of?

Or a BIC lighter.

You probably know that BIC is a name your customers trust.

That BIC is the only big name lighter with an adjustable flame.

And that BIC advertises nationally to your customers.

But you may not know that BIC offers one of the most generous profit margins in the industry.

Or that BIC turns over 2 to 3 times faster than the nearest competitor.

So why not choose BIC?

Because when you sell more of a lighter, you make more of a profit.

BIC

Checkstand merchandising study

Exploiting the value of the checkstand

Continued from page 18

are carried by every chain, of course, so the study took a look at how profitable respondents consider items that they do carry. Looked at in this way, candy/gum maintained its lead among the profit generators, but the relative profit performance of the remaining categories was altered.

Sunglasses, diet aids and H&BA trial sizes all received much higher profit marks after this adjustment was made.

Manufacturer displays might not be among the prime reasons chains select products for the checkout, but they are heavily used as an easy and effective way to display promotional merchandise attractively when space is available.

The availability of space is a key consideration. Many chains try to keep a clean look at the checkout. Clutter is avoided, sometimes to the point that there is very little of the high impulse merchandise left to entice the shopper as she stands in line waiting to get checked out.

Years ago, for example, Pay 'n Save reacted to the clutter by removing all merchandise in the checkstand. But then they realized they were losing a lot of impulse sales. So they brought some merchandise back, sparingly, and tried to keep it from reaching the clutter stage.

At Genovese, they are trying to *increase* the amount of merchandise carried at checkout counters. The chain is experimenting with a three-sided supermarket style fixture that Don Gross says will double the available space. The extra space might allow, for example, a second home for film.

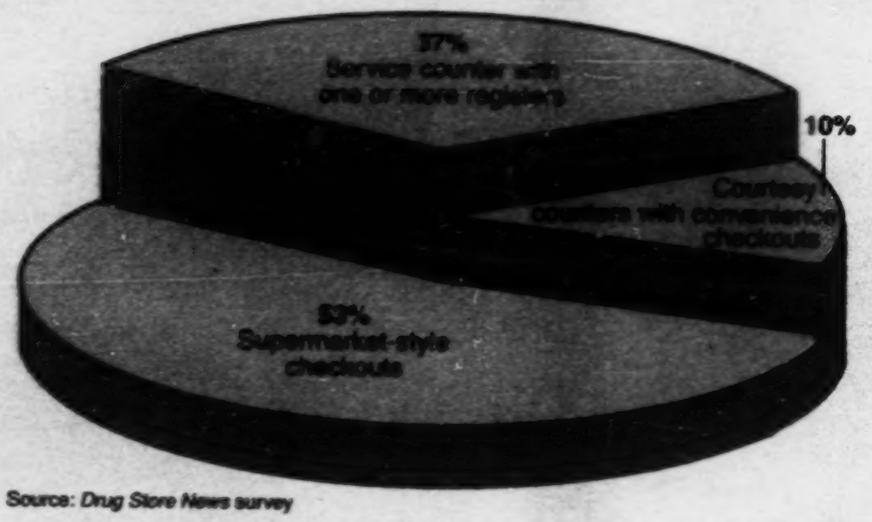
Buyers rank most profitable categories

1. Candy/gum
2. Batteries
3. Cigarettes
4. Sunglasses
5. Film
6. Magazines
7. Novelties
8. Diet aids
9. H&BA trial sizes
10. Games
11. Razors/blades
12. Cigarette lighters
13. Snack items
14. Pens
15. Lip balms

Based on total gross profit dollars
Source: Drug Store News survey

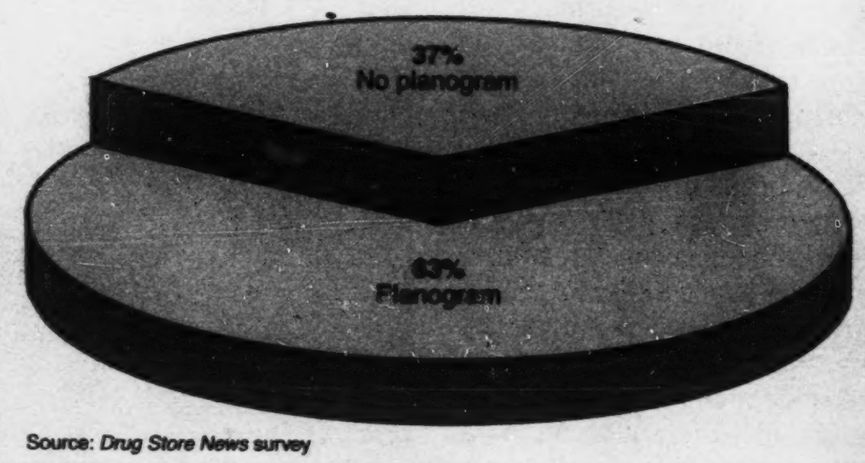
Read Classified Ads!

Supermarket checkouts dominate in drug stores



Source: *Drug Store News* survey

Chains using a checkstand planogram



Source: *Drug Store News* survey

Are your
PROFITS
LOST IN SPACE?
WE CAN MANAGE IT.

Gross Profit Story.
Properly merchandised TRIM® products can produce profits which exceed other product categories traditionally found in retail drug stores:

Traditional Profits	
TRIM® Manicuring Implements	66%
Prescriptions	40%
General Merchandise	45%
Housewares	45%
Stationery	45%
D.I.Y.	45%
Cosmetics	40%
Toys	40%
Photo	35%
Drugs/Proprietaries	30%
Toiletries	30%
Candy	30%

Source: Drug Store News

New Consumer Packaging.
TRIM® created a totally new look for its blister pack pegged line of manicure implements. The traditional TRIM® colors have been maintained for consumer recognition. However, the new and exciting graphics will communicate the TRIM® quality and craftsmanship story. Easy to follow instructions on the back of the package assist the consumer in selecting the proper implement.

Space Management Program.
A recent W. E. Bassett study revealed that this program can produce $486.00 gross profits per square foot of pegged wall space. (Total space required: 3.5 square feet.)

This innovative space management program has been developed to maximize store profits and stimulate multiple purchases. A handy consumer information book will explain the do's and don'ts of manicuring. This guide will help consumers select the *right* products at point of purchase. Our very unique display concept will assist retailers in properly managing their valuable pegboard space as well as increase the turnover of items in this product category.

(Total space required: 3.5 square feet.)

	Annual Turns		
TRIM®	8.8		
Prescriptions	6.5	Cosmetics	2.2
General Merch.	5.0	Toys	4.0
Housewares	3.0	Drugs	5.0
Stationery	4.5	Toiletries	5.0
D.I.Y.	3.0	Candy	5.5

Source: Drug Store News

Consumer Preference.
An independent consumer survey indicates that consumers prefer the TRIM® line of manicuring implements over the competition. This preference is based upon product performance, quality and the attractive packaging graphics. These same consumers commented that when they purchased lower priced promotional implements, they were disappointed in product performance. There was a very high level of repurchase intent by these same consumers of other TRIM® products because of previous product performance experiences.

The Good Housekeeping Seal of Approval and the lifetime guarantee provided with TRIM® products are two major reasons for purchasing TRIM® manicuring implements. *Source: Independent Research Firm*

Your TRIM® sales representative looks forward to showing you how the TRIM® space management program will increase your sales profits and produce incremental sales through proper management of your manicure implement department.

Don't let your profits get lost in space!

The W.E. Bassett Company
Derby, Connecticut 06418

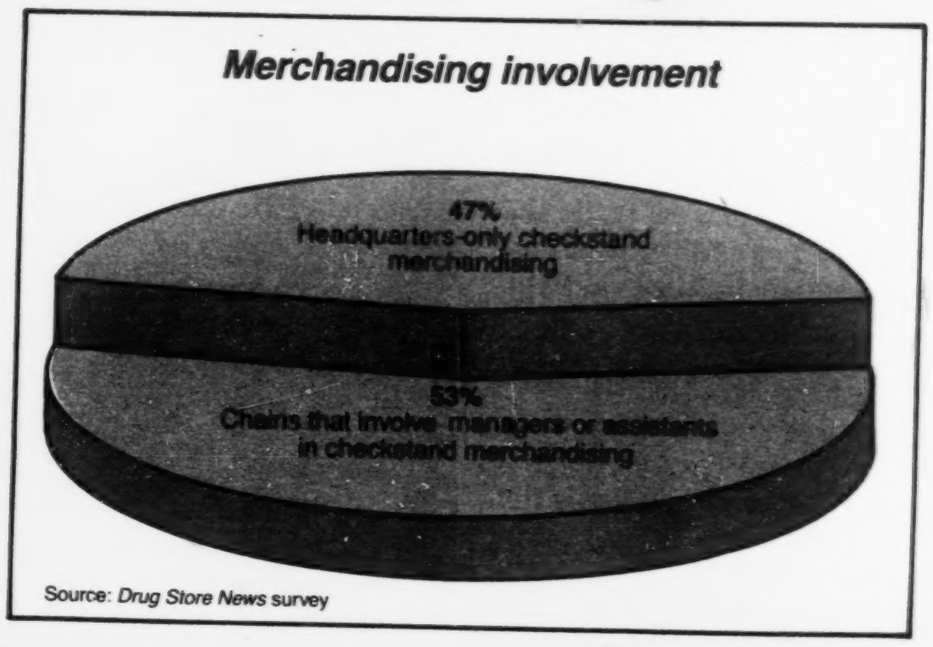
TRIM®
Precision Manicuring Implements

Checkstand merchandising study

High performance marks checkstand regulars

While most drug store checkstands carry a wide assortment of products, all of the items found in the front-end share the same three basic characteristics: high impulse appeal, good gross margins and fast turns.

Competition among manufacturers of the widely sought front-end location is fierce, even for those seeking only a three- to four-week run on the checkstand. However, a number of product categories have managed to win a permanent home in the drug store checkstand. These high-performing front-end items include the following:



Source: *Drug Store News* survey

Candy/gum

The candy and gum assortment at the checkstand varies from chain to chain. Nearly every drug store features a rack at the checkout for gum and mints. However, an increasing number of drug chains are bringing single size candy bars into checkout locations.

Studies such as the Popai/Du Pont Drug Store Shopper Study revealed that candy bars are among the most frequently purchased impulse items in drug stores. Moreover, buyers point out that candy bars, which typically generate profit margins of 35% and turn at a rate of more than 10 times a year, deliver some of the highest return on inventory investments of any checkstand item.

The checkout configuration frequently dictates how much room a chain can provide for the candy section. Generally, chains with a front-end counter checkout configuration can allocate more space to single-size candy.

Many Eckerd and Rea and Derick stores, for instance, merchandise candy bars and gum alongside the checkout counter on angled shelves.

In some of the Los Angeles-based Thrifty drug stores, candy is merchandised vertically along with gum at the end of the checkstand counter. Industry studies have revealed that when candy and gum are merchandised vertically on a display rack, as opposed to horizontally with gum at one level and candy at another, the consumer tends to scan the entire rack and is more likely to make a multiple purchase.

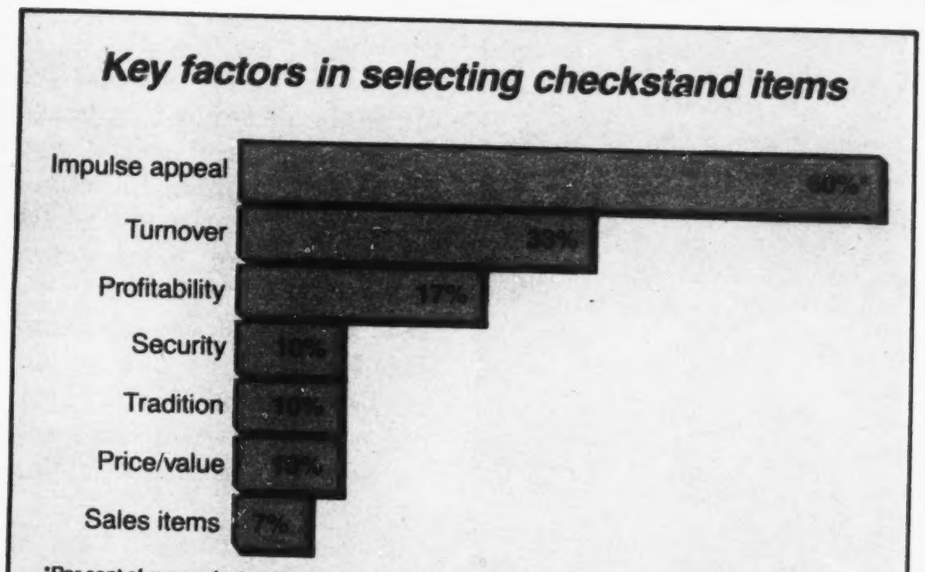
While many chains merchandise candy at the checkstand, there are still some that have kept single candy bars inline with bagged and boxed candy. One chain exec noted, "We can sell as much candy inline as we could by the checkout."

However, there seems to be

Continued on page 23

Checkstand merchandising study

Checkstand categories



Continued from page 21

a move afoot among more chains to cross merchandise some of the best-selling single candy bars in the front-end checkout area to take better advantage of impulse sales.

In contrast to candy bars, most drug retailers agree that gum and mints belong at the checkstand. In addition to producing margins that range from 40% to 43%, gum and mints turn more than eight times annually. Retailers also point out that manufacturers such as the William Wrigley Co. have been extremely flexible in designing display fixtures that can carry a variety of other merchandise.

At Peoples Drug Stores, for instance, the chain uses a Wrigley countertop display fixture to merchandise high-margin items such as key chains, nail clippers and combs.

In addition to checkstand locations, a number of chains have begun merchandising multipacks of chewing gum on endcaps directly across from the checkout.

Tobacco and accessories

Only candy and gum are merchandised more frequently at the checkout area than cigarettes, according to a report compiled by Lebhar-Friedman Research. The survey revealed that 77% of the chains regularly merchandise cigarettes at the main checkout area.

Unlike many other front-end products, cigarettes are more of a planned purchase than an impulse buy. However, convenience is a key factor in placing cigarettes in the front-end. Drug stores have built a reputation among cigarette consumers as a primary retail outlet where they can purchase a pack of cigarettes at a good price and as quickly as possible.

As with most other checkstand categories, the size of

Continued on page 24

What sort of woman reads **PLAYBOY**?

A surprising fact about PLAYBOY readers: 3½ million of them are women. That's a female audience larger than those of some women's magazines. And almost a quarter of PLAYBOY's total monthly readership of 15.3 million inquisitive and acquisitive adults—your best customers.

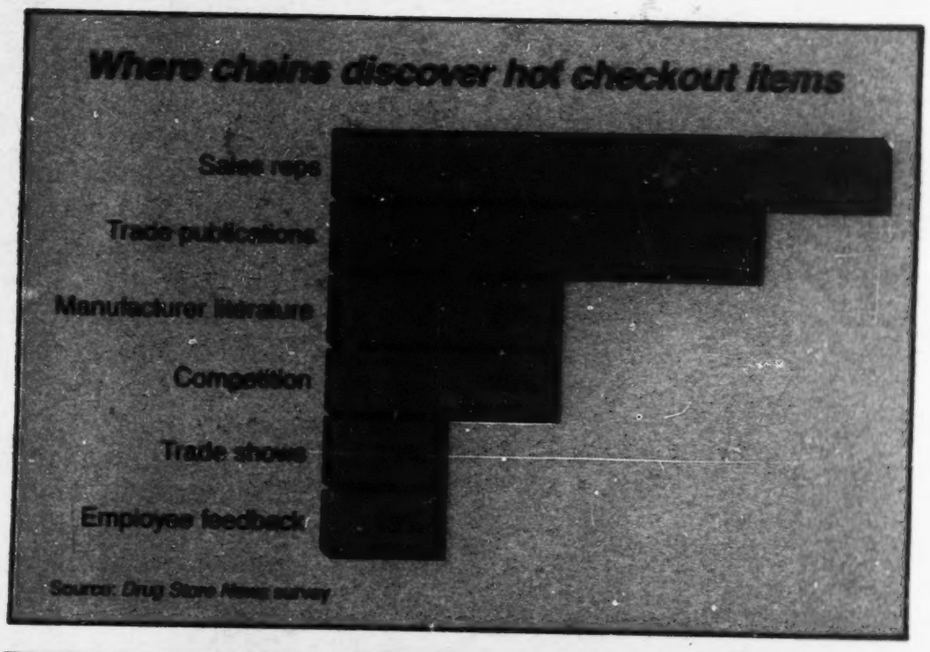
But this isn't really so surprising after all. PLAYBOY's tasteful approach to "Entertainment for Men" has always made it acceptable to men and women alike.

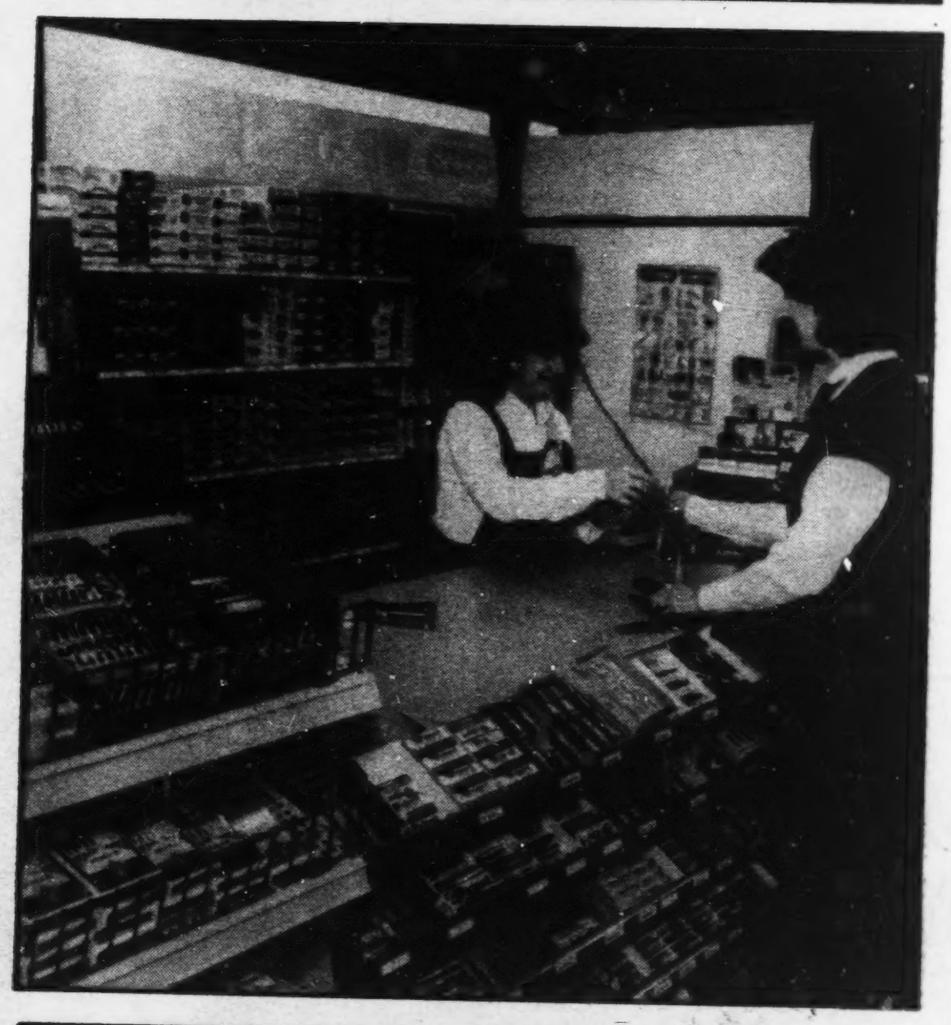
Award-winning editorial, from superb investigative journalism to top-name fiction. The Playboy Interview, featuring personalities every well-informed reader wants to know. Lifestyle features on entertaining, finances and relationships. Reviews of the latest books, films and music. Features like these, plus tasteful pictorials and celebrity covers, make PLAYBOY the men's magazine with a difference.

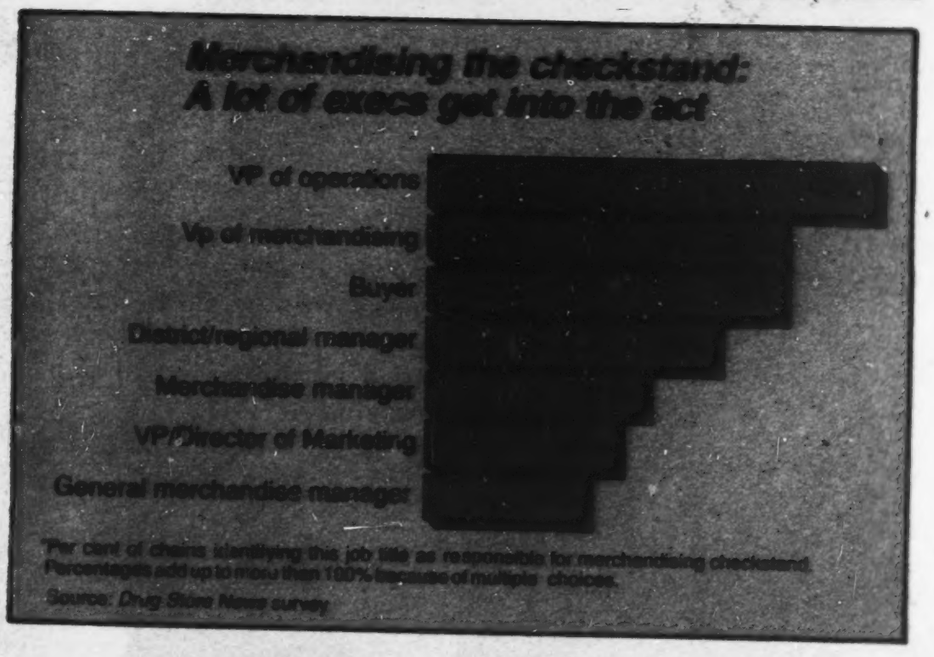
It's a difference that lets you sell and display PLAYBOY openly and proudly. Always.

Checkstand merchandising study

High performance marks checkstand regulars






Merchandising the checkstand:
A lot of execs get into the act
VP of operations
Vp of merchandising
Buyer
District/regional manager
Merchandise manager
VP/Director of Marketing
General merchandise manager
Per cent of chains identifying this job title as responsible for merchandising checkstand. Percentages add up to more than 100% because of multiple choices.
Source: Drug Store News survey

Continued from page 23

the store and front-end frequently determines how a chain will merchandise cigarettes. A number of chains such as Adams Drug and Rix have opted for gravity feed displays. Other chains such as the New York-based Duane Reade allocate a major portion of the back wall of the checkout counter, which faces customers, for single-pack cigarettes.

Self-serve countertop displays also are an important part of the checkout mix. Although Dunaway Drug in Marietta, Ga., limits the number of self-serve cigarette displays usually to two in order to avoid cluttering the checkstand, Bill Wade, director of merchandising, notes that the display allowances provided by cigarette manufacturers make them hard to resist.

"With tobacco you get about 8% to 10% gross margins without taking any display allowances," Wade said. "With those displays you can make up to 25%."

In addition to cigarettes, chewing tobacco, cigars and tobacco accessories are also hot front-end movers, retailers report.

"Cigarette lighters are a perfect impulse item," said one buyer for a food/drug chain in the Southwest.

Disposable cigarette lighters are also one of the most versatile front-end items to merchandise. While a number of chains peg them on J-hooks adjacent to the cash register, other chains have achieved good sales results by merchandising disposable lighters in dump displays near the checkout.

Magazines and books

While not quite as generous as the display allowances provided by cigarette manufacturers, allowances for magazine racks near the checkout

Continued on page 26

The hottest categories

CANDY
Snickers
Milky Way
M&M Chocolate Peanut
M&M Chocolate Plain
Twix Caramel
3 Musketeers
Reese Peanut Butter Cups
Nestle Crunch
Mars Almond
Hershey Kit Kat
Hershey Almond
Hershey Milk Chocolate
Butterfingers
Necco Rolls
Almond Joy
Raisinets
Mr. Goodbar
York Peppermint Patties
Baby Ruth
Nestle with Almonds
Mounds
Fifth Avenue Bars
Hershey Almond Big Block
Reese's Pieces
Goobers
Tootsie Rolls
Charms 5 Flavors
Hershey Krackel
Life Savers

GUM
Wrigley Doublemint
Wrigley Spearmint
Wrigley Big Red
Freedent Peppermint
Dentyne
Chewels Cinnamon
Wrigley Big Red Plenty Pak
Bubble Yum Sugarless
Trident Cinnamon
Soft Bazooka Gum
Bubble Yum Regular
Chewels Spearmint
Bubble Yum Grape

BREATH MINTS
Tic Tacs
Certs Peppermint
Certs Cinnamon
Certs Wintergreen
Certs Sugar-Free
Velamints Peppermint
Certs 5 Flavors
Chickle Clorets
Certs Buttermint
Velamint Wintergreen

COUGH DROPS
Halls Menthol
Halls Honey-Lemon
Ludens Wild Cherry

BATTERIES
Duracell 2-AA
Eveready Energizer 2-AA
Duracell 2-D
Eveready Energizer 2-D
Duracell 2-C
Eveready Energizer 2-C
Duracell 9-volt
Eveready Energizer 9-volt
Duracell 4-AA
Eveready Energizer 4-AA
Duracell 2-AAA
Eveready Energizer 4-AAA
Rayovac Alkaline AA
Rayovac Alkaline D
Rayovac Alkaline C

SHAVERS
Bic Disposables 5's
Gillette Good News 3's
Gillette Atra Blades 5's
Bic Disposables 8's
Schick Disposables 5's
Gillette Good News 10's
Gillette Trac II 9's
Gillette Atra Blades 10's
Gillette Good News 5's
Schick Plus Platinum 5's
Gillette Swivel Disposables 2's
Wilkinson Chromium

LIP BALMS
Chapstick regular
Blistex
Chapstick Cherry
Chapstick Sunblock 15
Vaseline Lip Therapy

FILM
Kodak CL110-24
Kodak CP135-24
Kodak CM135-24
Kodak CP135-36
Kodak Disc single
Polaroid SX-70
Polaroid 600 Sun Film
Kodak Disc double
Kodak CM135-36
Kodak CL110-12
Kodak CL135-24
Kodak Instant PR10
Kodak VR 1000 CF135-24

MAGAZINES/NEWSPAPERS
TV Guide
People
Us
Soap Opera Digest
Woman's Day
Family Circle
National Enquirer
Star
Readers Digest

SUNGLASSES
Bonneau
Foster Grant
Visual Scene
Opti-Ray
Cool-Ray Optics
Polaroid

CIGARETTE LIGHTERS
Bic
Scripto
Gillette
Djeep

WRITING IMPLEMENTS
Bic
Paper-Mate
Pentel
Scripto
Sheaffer
Hi Lighter Yellow

WATCHES
Timex
Lorus
Casio

OTHER
Tobacco/cigarettes
Trim nail implements
Jewelry
Novelties
H&BA trial sizes
Toys/games
Playing cards
Pocket calculators

Checkstand merchandising study

Performance marks categories

Continued from page 24

are an important incentive for many retailers. David Ross, president of the Thayer Drugs in Stoughton, Mass., said the racks "work extremely well" and are a big boost to magazine sales.

Magazines and books are also a good impulse item. The Popai/Du Pont study revealed that magazine and book purchases made in drug stores are unplanned in nearly 50% of the cases. Most chains limit their magazine selection in the checkstand area to five to 10 mass-circulation publications, depending on the size of the rack.

Film and batteries

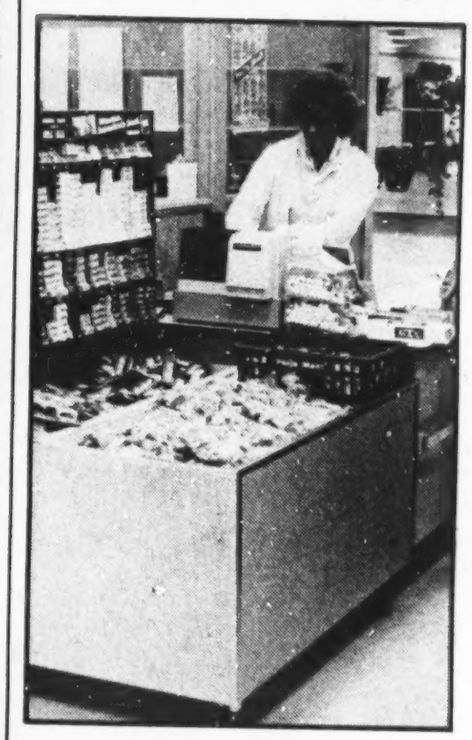
The Lebhar-Friedman Research report on checkstand merchandising revealed that a majority of the merchandise carried in the front end is available in other areas of the store. Seventy-three per cent of the respondents, in fact, said they cross merchandise front-end items in other areas of the store.

Few checkout products are cross merchandised as frequently as film and batteries. In addition to the photo department, the primary location for film and batteries, chains such as Adams Drug, Sav-On and Tom Thumb/Page are merchandising the best-selling sku's in both categories on self-service endcaps and/or in service locations at the checkstand.

Miscellaneous general merchandise

Both the inner core of the checkstand area and adjacent endcaps and freestanding displays are home to a number of

Continued on page 30



How study was done

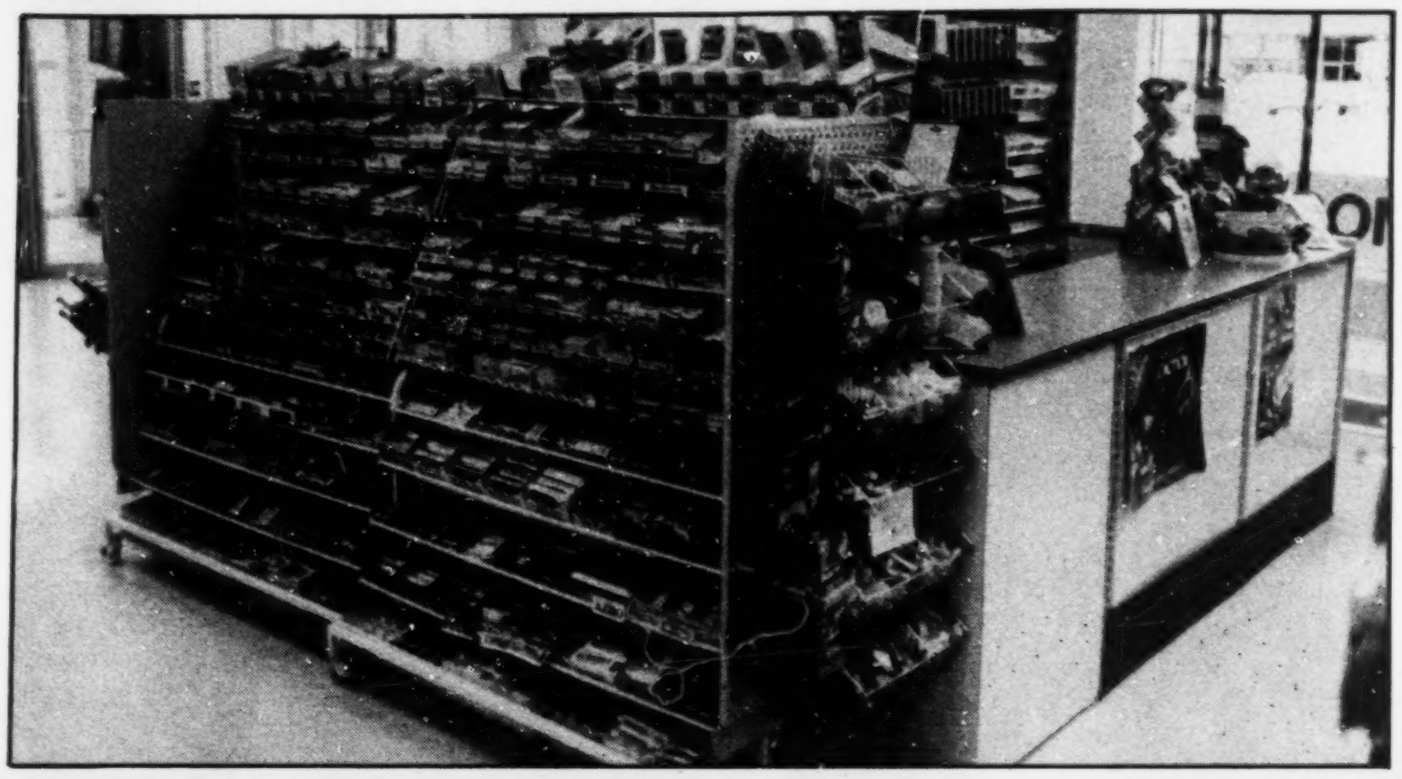
This study is based on interviews of 30 merchandising and operations executives selected from among the top 100 drug chains.

The persons interviewed are directly involved in merchandising the main checkout areas for their companies.

Telephone interviews were conducted between Jan. 23 and Jan. 29, 1985, by professional interviewers under the direct supervision of Lebhar-Friedman research staff.

Panasonic brings you Super Lite™
70% more light than a conventional flashlight
in a very unconventional package

Checkstand merchandising study



Hottest checkout categories

Continued from page 26

other leading general merchandise items.

Disposable razors, a category that has grown explosively in recent years, are a major force in the drug store front-end. Fifty-five per cent of the retailers surveyed by Lebhar-Friedman Research said they regularly carry disposable razors in the checkstand area.

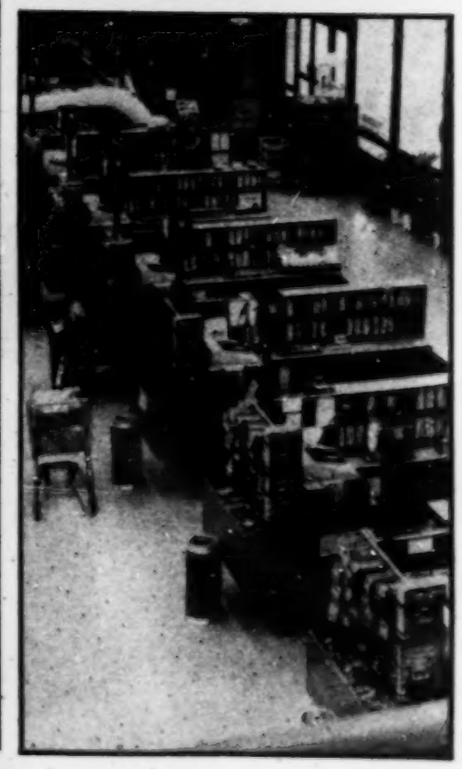
Among the other leading checkstand items are writing instruments, sunglasses and watches. The Lebhar-Friedman Research study revealed that 50% of the drug retailers said that pens are regularly merchandised in checkstand locations in their stores.

Although watches and sunglasses are seldomly merchandised directly at the checkstand, most retailers consider them an integral part of the front-end, in large part because of their high impulse appeal and attractive gross margins.

Trial-size H&BA and lip balms

Lip balms ranked high on the list of most frequently carried checkstand items, according to the Lebhar-Friedman research study. Sixty per cent of the retailers surveyed said they regularly merchandise lip balms at the checkstand.

Although only 23% of the drug retailers surveyed in the Lebhar-Friedman research study said they consistently merchandise trail-size H&BA's at the checkstand, trial-size products have a strong impulse appeal and are profitable for many chains. Among the growing number of retailers that feature trial-size H&BA's near the checkout are Peoples, Thrifty and Sav-On.



If you thought
you couldn't have a Powerhouse
for the price of a PC

Look What Just Came Out of the Box

The FoxMeyer-TBL Powerhouse 68

Support After the Sale

FoxMeyer-TBL

Checkstand merchandising study

Chain checkstand strategy is team effort

Few departments in chain drug stores require the communication, coordination and cooperation of as many operations people, merchandisers and buyers as the front-end checkstand area.

Unlike the health & beauty aids, OTC and cosmetics departments, which are generally overseen by one or two buyers, buying responsibilities for the checkstand area can fall under the domain of five or six buyers.

In addition, because of the wide assortment of products found in the checkstand area, merchandising decisions are also a shared responsibility in many cases.

A study of checkstand merchandising strategies, conducted by Lebhar-Friedman Research, revealed that operations personnel were most heavily involved in the decision-making process involving checkstand merchandise. Of the chains surveyed, the vp of operations played a major role in the checkstand merchandising decisions in 47% of the cases. In addition, other key participants in the decision-making process included vps of merchandising and buyers, according to 37% of the chain respondents, district/regional managers (30%), merchandise managers (23%) and general merchandise managers (17%).

While there is the potential for confusion in the front end with so many people assuming some responsibility for the section, most chains manage to keep a firm handle on things in the checkstand area by adhering closely to planograms. In addition, some chains have delegated one person to act as a type of "traffic cop" for the buyers and operations personnel, tracking and scheduling the movement of merchandise into and out of checkstand displays.

Concern over the front end extends far up the corporate chain drug ladder. In one instance, a West Coast chain drug ceo was actively involved in the decision to merchandise single size candy bars at a checkstand position.

At the same time, chains encourage store managers to involve themselves in the front end as much as possible. The Lebhar-Friedman research study revealed that 53% of the respondents involve store managers and assistant managers in the decision-making process for front-end merchandise.

You made us what we are today!

The only Drug Store publication in these Folio 400 listings.

The Folio 400 is to the publishing industry what the Fortune 500 is to business, and Drug Store News made the grade.

We've made it on two scores—"Top 80 Business Magazines by Circulation Revenue per Copy" because our readers proved they want to read us to the tune of over 37,000 paid subscriptions from drug chain headquarters and stores, hospital pharmacies, and high-volume independents. We're the only

Revenue per Copy."

to take a product

the drug field.

today. We couldn't

Group Publisher

℞

The Folio:400

Top 100 Business Magazines by Ad Revenue per Copy

54	Postgraduate Medicine	5.13
55	Research & Development	5.13
56	Advertising Age	5.05
57	Restaurant Hospitality	4.85
58	Modern Healthcare	4.79
59	Telephone Engnr. & Mgt.	4.73
60	Heavy Duty Trucking	4.72
61	Adweek	4.71
63	Packaging	4.61
64	Amer. Family Physician	4.60
65	Elec. Engineering Times	4.49

Top 80 Business Magazines by Circulation Revenue per Copy

52	Telephony	0.54
53	Chemical Week	0.50
54	Business Insurance	0.45
56	Successful Farming	0.45
57	ABA Journal	0.44
58	The High Plains Journal	0.43
59	Telephone Engnr. & Mgt.	0.42
60	HFD	0.41
61	Prairie Farmer	0.41
62	Wallace's Farmer	0.41
63	AMM	0.39

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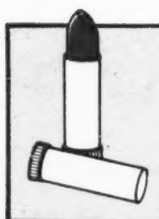

Pharmacy:
Cosmetics: Applying new strategies—p. 15

Special report:
Longs, Vons join Rx buying co-op—p. 39

Beauty Beat:
Men are new target for mousse makers—p. 31

DRUG STORE NEWS®

Vol. 7/No. 14 **Serving chains, wholesalers and high-volume independents for 56 years.** Published by Lebhar-Friedman Inc. June 24, 1985

Eckerd charges Dart with securities violation

By Bruce Buckley

WILMINGTON, Del. — When Jack Eckerd Corp. filed suit against Dart Group Corp. in Federal court here, it was sending out an unmistakable challenge to back off. Eckerd did not intend to be swallowed by the likes of Dart, nor would it be the victim of any greenmail attempt.

The suit alleged among other things that Dart had violated the Federal securities law in acquiring 5% of Jack Eckerd stock and had filed a "false and misleading" statement with the Securities and Exchange Commission.

Eckerd charged that Dart had claimed the stock acquisition was for investment purposes, when Dart was actually seeking to gain control or to extract greenmail payments from Eckerd.

At the same time, Eckerd announced that it had lined up more than $1 billion in credit from its principal lending banks. Analyst Bob Roth of Merrill Lynch said the money was "an insurance policy" designed to give the company flexibility in fending off any takeover attempt by Dart.

While Eckerd was making it clear that Dart was not an acceptable suitor, or partner, the larger question was whether the Clearwater, Fla.-based retailer would accept another suitor if it came to that.

As *Drug Store News* went to press, Eckerd was saying clearly that it intended to remain independent, but some observers felt that the company might have no choice but to seek a white knight.

Industry analysts and observers were not particularly surprised when someone began a run on Eckerd stock.

The company has been having problems in all divisions (see page 6), and the difficulties led to a drop in the per-

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'And the winner is . . . Revco'

Revco chairman, Sid Dworkin, flanked by 10K road race winners Michael Musyoki and Anne Audain. See story and more pictures on page 11.

Revco challenge: bringing Carls into corporate fold

By Marjorie Shaffer

TWINSBURG, Ohio — Revco's acquisition of Carls Drug, in a cash deal estimated at $35 million, will force the industry giant to make some tough choices.

Most observers say the acquisition of the 42-store chain based in Rome, N.Y., is a good one for Revco, which has been struggling with a number of internal problems and an earnings downslide of 33% for the first nine months of the year in its 1,900-unit drug store division.

But some sources question how Carls will fit into the Revco format. Said one analyst: "Carls stores are the wrong size for Revco, and the New York chain has an entirely different merchandising approach."

Carls drug stores are typically 12,000 to 15,000 sq. ft., about 40% larger than the average 7,800-sq.-ft Revco store. In addition, Carls is a highly promotional chain with a large advertising budget for frequent flyers, ROP ads, and other devices to build traffic, while Revco is a low-promotion chain that has built its reputation on its everyday low prices.

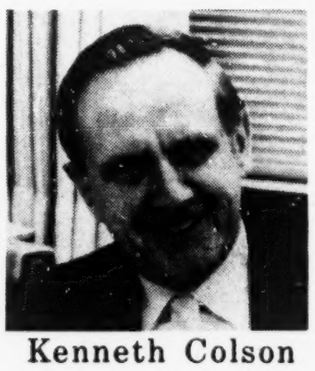
"Revco can convert Carls into its typical drug stores or it can go the deep-discount route, but it can't run a promotional chain, that's not Revco's style," said one source, who declined to be identified for this article.

If Revco decides to convert Carls into Revco-type drug stores, the company may lose market share in the New York

Continued on page 56

Rx Place has plans beyond Philly

NEW YORK — The Rx Place, F. W. Woolworth Company's new deep-discounting venture, is looking beyond its aggressive expansion plans in the Philadelphia area to other East Coast markets.



Kenneth Colson

The Rx Place, a Woolworth division, opened its first store in suburban Philadelphia last month. It plans to open another in an off-price mall in Levittown, Pa., in October and a third by year's end.

In an interview with *Drug Store News* shortly after the opening of the first store, Rx Place president Kenneth Colson said that he'd like to see "a total of eight stores in the Philadelphia area in the next couple of years."

Discounter eyes other locations

He said several other unnamed East Coast markets are also being considered for expansion, but would not comment on when any growth outside of the Philadelphia market is likely to begin.

The Rx Place is located in a former 30,000-sq.-ft. Shop 'n Bag supermarket building in a suburban Stratford, N.J., strip mall. About 16,500 sq. ft. of that area is selling space. The rest will be used for offices and warehouse space where deal merchandise will be stockpiled.

According to Kenneth Colson, president of The Rx Place and a 35-year veteran of Woolworth, the store will be working on an 18% gross margin and should do $6 million in sales in its first year, averaging about $375 per square foot. "Those figures should double when we reach maturity in three to four years," said Colson.

Having no performance records to base his financial predictions on, Colson said his

Continued on page 56

Perry ComfortCare, a new retail home health care supply store, opened last month in Dearborn.

ComfortCare links Perry and health care group

By Tim O'Brien

DEARBORN, Mich. — Perry ComfortCare opened in this Detroit suburb last month, marking what could be the first time a drug chain has joined forces with a major health care organization to provide home health care products and services.

The retail store is a joint venture between Perry Drug Stores and the Henry Ford Health Care Corporation, the parent company of Detroit's 980-bed Henry Ford Hospital.

The store sells and leases both durable and nondurable goods, as well as aids to daily living, including pillows, brac-

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...LATE NEWS....LATE NEWS....LATE NE

REVCO D.S. will take a write-down of approximately $35 million, or $18 million after taxes, on video game cartridges, video game accessories and other merchandise for the fourth quarter ended June 1. The inventories, which were purchased by Revco's Odd Lot wholesale division, had to be written down because of severe price erosion, the company said.

Allergy drugs on crest of Rx

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NEWS IN BRIEF

Genovese net earnings down 64%

MELVILLE, N.Y. — Genovese Drug Stores cited "lackluster" same-store sales increases and "generally poor consumer spending" in reporting a 64% decline in net earnings for the 16-week first quarter ended May 24. Net income for the period was $317,000, or 8¢ a share, compared to $880,000, or 22¢ a share, a year earlier. Sales increased 11% to $68.6 million from $61.8 million.

Perry launches 4th A. L. Price

LANSING, Mich. — Perry Drug opened its fourth A. L. Price drug store here on June 6.

The deep discounter, featuring cut case, stacked and high-tech warehouse style merchandising, marks Perry's first presence in Michigan's capital city.

"It's an important new market for us," explained a company spokesman. "We're happy we were able to find a good location." Future growth for the company in this particular market is expected.

The original A. L. Price (always low price), opened in 1983 in Dearborn, followed by locations in Grosse Pointe Farms and Southfield. Two more deep discounters are planned for fiscal 1985.

Sonnenberg appointed vp at Peoples

Charles Sonnenberg

ALEXANDRIA, Va. — Charles H. Sonnenberg has been named senior vp of information systems for Peoples Drug Stores, replacing Glen Tarsha, who has been named vp for special projects.

Sonnenberg will be responsible for all corporate data processing. Before joining Peoples, he spent 17 years with the firm of Deloitte, Haskins & Sells of Baltimore, where he most recently was in charge of all private sector information systems personnel and engagements for the North Atlantic region.

Jones named exec. vp at Big B

Arthur M. Jones

BIRMINGHAM, Ala. — Anthony J. Bruno, president of Big B Inc., announced the promotion of Arthur M. ("Mac") Jones as executive vp.

Jones, 37, a certified public accountant who joined the drug store chain in 1975, was previously vp of finance. Jones will continue to serve as secretary and treasurer of the corporation and member of the board of directors.

Before coming to Big B, he was employed by Arthur Andersen & Co., a Big 8 accounting firm. He is a 1969 accounting graduate of Mississippi State University.

Albertson's income up 3.4%

BOISE, Idaho — Albertson's, the food and drug retailer based here, reported that first quarter net income rose 3.4% to $18.7 million from 18.2 million the previous year. Sales for the quarter, ended May 2, increased 6% to $1.2 billion from $1.13 billion during the same quarter last year. Earnings per share were up 3.6% to 57¢ from 55¢.

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Vol. 7, No. 14 June 24, 1985

Gray names 4 execs to smooth operations and boost profits

CLEVELAND — Gray Drug Fair's new plan to reverse slumping profits has been put into full motion with the hiring of four high-level executives in the area of operations and merchandising.

Charles M. Ortez, a 23-year veteran in store operations at Skaggs and Rea and Derick, has been named senior vp of operations at the Cleveland-based Gray. In another area of store operations, William E. Pannill, formerly associated with Peoples Drug Stores and Cavalier Drug Company, has been named vp of real estate.

Heading up Gray's merchandising department is Daniel W. Kendzie, who has been appointed as vp of merchandising. Before joining Gray, Kendzie owned his own company. H. H. International Trading Corporation, and has held marketing and merchandising positions at K&B and Fay's.

In another merchandising appointment, Allan Cohen, formerly with Gaylords Discount Stores, has been named as merchandise mgr.

The turnaround plan was initiated to help combat a series of problems that has plagued the ailing chain for the past several years. According to Sherwin-Williams' chairman, president and ceo, John G. Breen, some of the areas that will have to be changed in addition to improved merchandising skills and more efficient operations are better inventory management and an improved balance between gross margins, sales and inventory.

Last year, Gray Drug Fair reported profits of $82,000, a drop of 99% from the previous year.

American sells shuttered Sav-On's

FRESNO, Calif. — American Stores has sold four of its five shuttered Sav-On food/drug combos in the San Joaquin Valley to two major southern California food chains.

The two 47,000-sq.-ft. Fresno units were sold to Vons, and the Merced (47,000 sq. ft.) and Atwater (38,000 sq. ft.) combos to Lucky Stores.

Vons calls its combos Value Centers, while Lucky's combo logo is Lucky Discount Center. The pharmacy departments are being retained.

Still unsold is the Porterville property, former site of a 47,000-sq.-ft. Sav-On combo.

Sav-On opened the first store in Merced in the fall of 1983 when Jewel Cos. owned the chain. Original plans were to open 10 food/drug combos in the San Joaquin Valley by the end of 1985.

American closed the stores on Jan. 25, 1985 and sold the pharmaceutical stock and prescription files to Longs.

Industry observers were surprised at the closing because the stores were beginning to come around, and some were marginally profitable. Observers had expected American to operate the stores for at least a year before making any decision.

At any rate, most observers had also expected American to operate them until sold, thereby yielding a higher price than if they were closed.

A real estate exec in the Fresno area said at the time of closing that "Sav-On had bought the properties at a premium price because the locations were so good. However, when American put them on the market, no one was interested in buying them. So American dropped the price and decided to sell them piecemeal. The stores had a lot of money tied up in inventory, so American decided that the merchandise would bring in more dollars with a close-out sale to customers, rather than selling at distressed prices to the new buyers."

Both Lucky and Vons are expected to launch prescription promos because they must build their files from scratch.

Longs, with the prescription files of the five former Sav-On combos, is in a strong position because the acquisition enables the chain to increase its already substantial market share. Longs pioneered the superdrug store in the San Joaquin Valley (from Bakersfield to Merced in central California) and now operates 17 stores in that area.

Hughes: Justice is shirking Rx crime law enforcement

WASHINGTON — Top Justice Department officials came under fire on Capitol Hill for lackluster enforcement of last year's Federal pharmacy crime bill.

In demanding that Justice withdraw its controversial enforcement "guidelines" limiting Federal involvement in drug store robberies, House Crime Subcommittee Chairman William Hughes (D-N.J.) accused department officials of ignoring key provisions of that law which give the Federal Government jurisdiction over thefts of controlled substances valued at more than $500.

Noting that the Justice guidelines set a much higher, $5,000 threshold for Federal investigation of controlled substance robberies from pharmacies and other Drug Enforcement Administration registrants, Hughes called the department's policy "an affront" to Congress which will make it "even more difficult for prosecution.

"If we wanted a threshold of $5,000, we could have added a 'O,'" but "we thought that was too high," he told Deputy Assistant Attorney General James Knapp. "If you want to write laws, become a member of Congress," he snapped.

In defending the department's policy, Knapp characterized criticism of the $5,000 guideline "unnecessary hullabaloo."

Most of the controlled substance theft investigations launched by the department as a result of the new law—and all of the Federal prosecutions undertaken by Justice to date—have involved robberies of less than $5,000 worth of drugs, he told Congress.

Specifically, Knapp said that Justice has investigated 50 of the "423 pharmacy robberies nationally since the bill was passed" last May, as well as a dozen other controlled substance thefts from drug wholesalers or other DEA registrants.

Of these 62 cases, only four involved the theft of drugs valued above the department's $5,000 (acquisition cost) threshold, he maintained.

In his testimony to the House subcommittee, Knapp cited only four Federal prosecutions to date under the 1984 law:

- The October 1984 theft of approximately $500 worth of controlled substances occurred at the Riverdale, Ga., Crossroads Community Pharmacy during which a pharmacist was shot in the back.
- An armed robbery of $2,000 worth of Schedule II drugs from the Crystal Medical Center Pharmacy took place in Minnesota on Jan. 19.
- A Kentucky pharmacist was shot last November during the theft of $1,000 worth of controlled substances from the North Park Pharmacy in Owenton, Ky., and
- Drugs worth $971 were stolen during the burglary of Paxton's Drug Store in Kiowa, Kan., last August.

Despite these examples, Hughes maintained that the department should be investigating and prosecuting far more cases than are covered by the Justice guidelines.

In addition to criticizing the department's increased dollar value threshold, Hughes also accused Justice of ignoring the "clear intent" of Congress by requiring Federal prosecutors to clear all pharmacy robbery cases through Washington.

Knapp, however, replied that the headquarters approval requirement contained in the guidelines is necessary "to ensure uniform application."

FINANCIAL

Net earnings at Jack Eckerd plunge 51%

CLEARWATER, Fla. — With its third-quarter retail drug store profits off sharply from last year, the Jack Eckerd Corporation reported a 51% decline in net earnings for the period ended April 27.

Net income for the quarter was $8.8 million, or 23¢ a share, vs. $18 million, or 48¢ a share, in the same period last year.

Consolidated sales for the first quarter increased 9.5% to $711.8 million from $650.1 million a year ago.

As previously reported, the results reflected a sales slowdown as well as continuing pressure on gross margin, indicative of "the general softening of retail industry sales in recent months, particularly in April."

For the nine months, net earnings were off 6% to $63.6 million, or $1.68 a share, from $67.6 million, or $1.80 a share, in the comparable year-earlier period.

Corporate sales for the nine months increased 13.6% to $2.24 billion from $1.97 billion last year.

While profits fell for all three of Jack Eckerd's companies, the biggest contributor to the decline was the corporation's major subsidiary, Eckerd Drug Co., which operates more than 1,500 stores in 15 states.

Eckerd Drug's third-quarter operating profits fell 31.6% to $26.9 million from $39.3 million a year ago, while sales increased 10.3% to $612.6 million from $555.4 million. Comparable store sales, for units open more than a year, were up 5.8%.

For the ninth months, Eckerd Drug operating profits were off slightly to $133.6 million from $134.1 million last year. The drug company's nine-month sales increased 13.7% to $1.88 billion from $1.65 billion.

Since the beginning of the fiscal year, Eckerd Drug has added 88 stores.

Big B sales, profits rise

BIRMINGHAM, Ala. — With its store base rapidly expanding, Big B Inc. reported record sales and earnings, the 15th consecutive quarter in which sales and earnings have outstripped those of the previous period.

Net profits for the first quarter ended May 11 increased to $1.3 million, or 19¢ a share, from $1.1 million, or 17¢ a share, in the previous quarter, a gain of 11.5%.

Sales for the period increased 22.6% to $45 million from $36.7 million.

Big B operates a chain of 118 stores that includes 110 Big B Discount Drug stores.

		STOCK PRICE							TREND TO MARKET				EARNINGS/SHARE					P/E	DIVIDENDS			FINANCIAL POSITION				
		From 05/17/85 - 06/03/85							Price Trend (% per day)		Volume Trend (% per day)		Last Fiscal Year	Latest 12 Months vs Preceding 12 Months' Change		5-Year Annual Growth Rate	Profit Margin	Latest P/E Ratio	Indicated Dvd. rate		Last X-Dvd. Date	Last Fiscal Year		Current Ratio	Last Fiscal Year (Per Share)	
Name	Symbol	High	Low	Close	Change Amt	Change Pct	52-Week High	52-Week Low	Last 30 Days	Last 5 Days	Last 30 Days	Last 5 Days		Amt.	Pct				Amt.	Yield		Revenue	Earnings		Long Term Debt	Common Stock Equity
-	-	$	$	$	$	%	$	$	%	%	%	%	$	$	%	%	%	-	$	%	-	$ Mil	$ Mil	-	$	$
Chain Store transactions																										
Am Stores	ASC	61.25	56.00	61.25	5.25	9.38	61.25	27.00	.45	.81	-.99	-11.09	5.71	2.10 F	58.2	117.0	1.5	10.7	.64	1.0	03-26-85	12118.6	185.5	1.2	37.93	21.40
Begley Co	BGLY	17.00	16.50	16.50	-.50	-2.94	17.25	14.50	-.03	-.51	1.72	.00	1.33	-.30 N	-20.4	-8.0	1.1	14.1	.72	4.4	04-15-85	61.5	.7	1.9	15.55	18.26
Big B	BIGB	19.50	16.00	17.88	.38	2.14	19.50	8.88	.31	1.42	5.88	-35.36	.68	.14 Q	25.0	29.0	3.0	25.5	.00	.0	09-21-83	148.1	4.4	2.3	1.20	4.58
Drug Sys	DRGS	5.00	4.75	4.75	-.25	-5.00	5.63	3.25	-.69	-.20	-7.32	-29.71	.56	-.25 N	-38.5	NC	2.1	11.9	.60	12.6	05-09-85	82.3	1.7	3.0	1.26	5.84
Eckerd, Jack	ECK	29.00	22.63	27.00	4.50	20.00	32.88	20.00	-.27	.47	4.70	-27.52	2.27	.26 S	12.1	5.0	3.3	11.3	1.04	3.9	03-11-85	2622.5	85.4	2.0	2.52	16.47
Fay's Drug	FAY	10.00	9.13	9.75	.50	5.41	13.00	8.38	-.24	.20	-2.26	-21.98	.62	-.06 Q	-9.5	49.0	2.4	17.1	.20	2.1	06-24-85	366.7	8.7	1.8	1.65	4.28
Genovese Drug	GDX	12.88	10.25	10.25	-2.38	-18.81	16.63	10.25	-.68	-4.17	6.12	77.83	1.03	.07 F	7.3	89.0	1.9	10.0	.20	2.0	03-29-85	220.3	4.1	1.7	2.06	5.73
Longs Drg Strs	LDG	29.88	26.88	28.38	-.13	-.44	29.88	17.75	-.18	.65	-1.22	2.74	1.88	.18 Q	10.3	12.0	2.9	14.8	.64	2.3	03-27-85	1375.8	40.1	2.1	.00	12.23
Medicare Glaser	MGCO	5.00	4.50	4.75	.38	8.57	7.00	3.50	-.29	.20	3.99	-7.58	.43	-.19 N	-43.2	102.0	1.4	19.0	.00	.0	00-00-00	76.7	1.1	1.6	1.12	3.49
Pay N Save	PAYN	23.25	23.25	23.25	.00	.00	23.63	15.50	-.15	-.21	-4.83	-44.44	2.02	-.81 N	-41.3	-2.0	2.5	20.2	.00	.0	08-20-84	1220.5	30.1	2.0	9.01	14.37
Perry Drug	PDS	20.38	19.00	20.00	.38	1.91	22.13	13.75	.37	.80	-3.54	16.91	1.26	.14 Q	13.0	18.0	2.1	16.4	.28	1.4	05-20-85	370.3	7.6	1.5	2.40	10.60
Revco Drug	RDS	25.25	23.75	24.75	.63	2.59	32.88	22.50	-.21	.08	-.32	-17.32	2.54	-.45 N	-18.6	17.0	4.2	12.6	.80	3.2	02-26-85	2227.5	93.4	2.1	1.08	12.22
Rite Aid Corp	RAD	30.38	28.38	30.25	1.75	6.14	33.50	18.38	.08	.05	-1.73	21.14	1.69	.22 F	15.0	11.0	5.4	17.9	.50	1.7	04-09-85	1297.1	69.9	2.3	.49	7.68
Thrifty Cp	TFD	20.75	19.25	20.00	.13	.63	22.88	14.25	-.16	.05	.78	8.60	1.40	.24 S	18.8	21.0	2.1	13.2	.60	3.0	05-06-85	1299.3	27.9	1.5	4.46	7.72
Walgreen Co	WAG	30.25	26.50	29.88	3.25	12.21	30.25	16.19	.39	.86	.15	-14.58	1.39	.20 S	15.5	31.0	3.1	20.1	.44	1.5	05-14-85	2744.6	85.4	1.7	.87	6.76
Wholesaler's transactions																										
Bergen Bruns	BBCA	29.50	27.38	28.63	.88	3.15	29.50	19.00	.16	.19	-1.84	-30.02	1.57	.05 S	2.9	24.0	1.2	16.2	.32	1.1	04-25-85	1703.4	19.7	1.6	1.08	11.11
Bindley Wstn	BIND	13.75	12.50	13.25	.50	3.92	13.75	8.81	.23	-.41	.31	.19	.73	.16 Q	26.7	39.0	.8	17.4	.00	.0	05-01-85	566.7	4.7	1.4	.08	5.46
Cardinal Distrb	CDIC	17.25	15.75	16.50	-1.75	-9.59	18.50	10.91	-.46	-.08	-6.32	-35.44	1.01	.09 F	9.8	NC	1.2	16.3	.06	.4	03-26-85	320.0	3.7	1.8	.92	5.91
Durr Fillauer	DUFM	17.50	16.50	16.50	-.25	-1.49	17.50	10.88	.39	-1.70	-1.02	4.09	.92	.18 Q	22.5	21.0	1.7	16.8	.18	1.1	05-20-85	341.7	5.8	2.3	1.52	7.56
McKesson Cp	MCK	46.25	43.75	46.00	1.88	4.25	46.25	33.00	-.06	.59	3.51	21.44	3.78	-.42 N	-10.7	-1.0	1.6	13.1	2.40	5.2	05-28-85	4260.0	68.7	1.4	10.45	30.25
Foxmeyer Cp	FXM	26.88	25.13	26.38	.63	2.43	29.75	20.00	-.34	.16	4.17	-11.13	1.56	.29 F	22.8	60.0	1.3	16.9	.00	.0	00-00-00	717.1	9.0	2.0	3.95	11.86
Ketchum	KCH	20.00	15.00	19.00	2.75	16.92	20.00	10.09	.40	3.83	5.10	41.21	.77	-.46 N	-49.5	100.0	.3	40.4	.00	.0	09-24-84	245.1	.8	1.5	6.37	6.74
Owens & Minor	OBOD	22.50	19.50	22.50	3.00	15.38	22.50	11.25	.49	1.88	.08	-4.56	1.43	.17 Q	12.3	49.0	1.2	14.5	.40	1.8	03-11-85	306.7	3.6	3.0	8.02	12.81
Spectro Indus	SPO	20.00	19.63	19.75	-.25	-1.25	20.38	9.69	-.15	-.28	-11.39	.00	.89	.36 N	46.2	53.0	1.8	17.3	.09	.5	03-29-85	395.4	7.2	1.7	1.23	4.44
Manufacturer's transactions																										
Abbott Labs	ABT	54.75	52.50	54.75	1.25	2.34	54.75	36.75	.11	.29	-.38	17.14	3.34	.49 Q	16.5	26.0	13.0	15.8	1.40	2.6	04-09-85	3104.0	402.6	1.9	3.91	13.33
Am Home Prod	AHP	65.38	62.50	65.38	2.63	4.18	65.38	46.75	.11	.29	-.51	7.74	4.39	.35 Q	8.5	15.0	15.1	14.7	2.90	4.4	05-07-85	4485.5	675.6	3.4	.26	13.74
Baxter Travenol	BAX	15.38	14.88	15.25	.13	.83	18.13	11.75	-.22	.13	-1.89	-11.68	1.03	-.39 Q	-26.9	6.0	8.1	14.4	.37	2.4	06-04-85	1800.4	145.1	1.6	1.46	7.83
Block Drugs Co	BLOCA	34.00	31.50	34.00	2.50	7.94	34.00	24.28	.05	1.47	1.78	50.00	3.18	.26 N	8.4	14.0	10.0	10.1	1.00	2.9	02-25-85	238.2	23.9	2.3	2.34	20.08
Bolar Pharm	BLR	41.38	37.13	38.75	-2.25	-5.49	45.25	22.50	-.30	-.46	2.73	-54.64	1.22	.15 Q	12.9	40.0	18.2	29.6	.05	.1	02-08-85	29.1	5.3	7.5	.00	7.41
Bristol-Myers	BMY	61.38	60.25	60.63	.13	.21	61.38	43.38	.10	-.23	-1.20	2.21	3.45	.42 Q	13.4	20.0	11.3	17.1	1.88	3.1	03-29-85	4189.4	472.4	2.5	.75	15.63
Carter-Wallace	CAR	37.75	34.00	37.50	2.13	6.01	37.75	20.00	.31	1.69	2.70	38.57	2.66	.29 F	12.2	34.0	5.9	14.1	.52	1.4	04-12-85	348.8	20.7	2.4	1.69	21.87
Cooper Labs	COO	14.63	13.38	13.88	-.50	-3.48	27.00	12.50	-.55	-.12	8.12	-52.32	-.12	-.90 Q	-100.0	NC	-1.3	NE	.00	.0	03-12-84	155.9	-2.0	1.6	.61	11.81
Forest Labs	FRX	28.38	25.88	27.13	1.38	5.34	28.38	11.25	1.65	-.62	3.10	-13.61	.73	.19 F	35.2	21.0	16.3	37.2	.00	.0	01-14-83	25.8	4.2	8.3	.28	5.42
ICN Pharm	ICN	10.25	9.38	9.50	-.50	-5.00	11.63	6.63	-.46	-1.06	-3.49	8.66	.00	-.22 F	-100.0	40.0	1.6	NC	.00	.0	00-00-00	44.8	.7	3.0	2.43	4.50
Key Pharm	KPH	10.50	9.63	9.75	.00	.00	17.13	8.00	.29	-1.35	.72	-18.36	.61	.06 Q	10.9	63.0	14.6	16.0	.20	2.1	03-11-85	151.1	22.1	2.1	1.16	1.67
Lilly Eli Co	LLY	86.00	80.88	85.75	5.00	6.19	86.00	53.00	.26	.04	-.84	-4.68	6.73	.60 F	9.8	12.0	15.8	12.7	3.20	3.7	05-09-85	3109.2	490.2	1.7	1.63	31.04
Lee Pharm	LPH	6.75	5.88	5.88	-.13	-2.08	9.63	2.13	-.40	-2.47	-5.74	33.04	.13	.58 S	NE	16.0	6.2	24.5	.00	.0	00-00-00	8.1	.5	3.0	.20	1.73
Marion Labs	MKC	38.00	34.50	37.25	.00	.00	38.50	16.50	.28	1.55	-1.00	5.93	.62	.29 N	51.8	60.0	10.6	43.8	.28	.8	06-14-85	226.4	24.1	2.4	.02	3.52
Merck & Co	MRK	109.50	105.50	107.75	3.75	3.61	109.50	78.25	.09	-.22	-.78	11.80	6.71	.60 Q	9.6	7.0	13.8	15.7	3.20	3.0	02-28-85	3559.7	493.0	2.0	2.48	35.29
Morton Thiokol	MTI	35.50	32.25	33.63	-.38	-1.10	35.50	23.81	.22	-.20	-3.40	-25.13	2.16	1.89 N	93.1	45.0	5.5	8.6	.64	1.9	05-24-85	2001.5	109.8	1.5	2.94	12.50
Mylan Labs	MYLN	24.13	21.50	23.50	-.50	-2.08	24.13	7.13	.01	.65	-2.47	-14.78	.52	.32 F	160.0	108.0	23.3	45.2	.05	.2	02-19-85	53.6	12.5	5.9	.09	1.22
Newport Pharm	NWPH	11.25	9.25	10.25	-.50	-4.65	12.00	2.75	1.11	.52	3.42	-12.08	-.21	.17 N	NE	-10.0	-26.0	NM	.80	7.8	05-23-85	7.7	-2.0	2.6	.22	.93
Pfizer Inc	PFE	50.88	47.50	49.63	1.13	2.32	50.88	29.38	.33	.46	.93	-5.08	3.08	.38 Q	13.5	22.0	13.2	15.5	1.48	3.0	05-20-85	3854.5	507.9	2.3	2.10	15.45
Reid Prov Labs	REID	5.13	4.25	4.63	-.50	-9.76	5.25	2.75	-.16	-1.86	2.44	.58	.12	-.08 N	-40.0	87.0	6.7	38.5	.04	.9	12-10-84	13.4	.9	3.1	.02	.92
Robins, AH	RAH	20.38	16.75	17.63	-1.88	-9.62	24.38	12.00	-.34	-1.71	1.24	-24.74	-18.44	-20.58 Q	-100.0	-96.0	-73.0	NE	.00	.0	11-19-84	631.9	-461.6	1.7	.47	-5.23
Rorer Group	ROR	34.00	29.50	34.00	3.88	12.86	34.13	24.00	.06	2.87	8.58	11.58	2.08	.00 Q	.0	6.0	8.5	16.3	1.12	3.3	05-06-85	522.1	44.3	1.9	2.18	11.07
Scherer RP Co	SCHC	11.75	11.00	11.00	-.50	-4.35	12.38	8.63	.22	-1.18	3.99	-28.87	-.43	-.95 F	-100.0	-17.0	-2.0	NE	.32	2.9	03-13-85	167.4	-3.4	1.9	4.83	11.14
Searle, GD	SRL	58.00	52.00	56.38	4.88	9.47	65.50	40.25	.22	-.26	1.08	26.57	3.24	.22 Q	6.9	18.0	13.0	16.4	1.00	1.8	05-07-85	1245.8	161.6	2.1	3.46	17.37
Squibb Corp	SQB	64.63	61.38	62.25	-1.13	-1.78	64.63	41.00	.34	-.89	-.29	-6.72	3.68	.41 Q	12.2	22.0	10.5	16.5	1.76	2.8	05-13-85	1886.0	197.2	2.3	3.74	24.87
Sterling Drug	STY	33.75	30.63	33.13	2.13	6.85	33.75	24.00	.00	1.19	.91	20.75	2.37	.14 Q	6.2	5.0	7.8	13.7	1.20	3.6	04-30-85	1827.3	143.4	2.6	1.32	15.34
Syntex Corp	SYN	65.00	61.75	63.25	.00	.00	65.00	39.88	.35	-.67	1.13	1.03	4.08	-.42 S	-9.5	20.0	14.7	15.7	1.92	3.0	05-13-85	916.5	134.6	2.1	5.36	18.81
Thompson Med	TM	16.50	13.88	15.88	2.13	15.45	25.63	13.25	.11	.35	2.77	-27.50	2.20	-.09 Q	-4.5	42.0	10.8	8.4	.40	2.5	03-25-85	197.2	21.2	4.3	.00	7.09
Upjohn Co	UPJ	113.88	96.75	110.75	13.88	14.32	113.88	45.00	.89	1.05	3.64	-12.03	5.67	-.69 Q	-11.7	.0	8.0	21.2	2.56	2.3	04-01-85	2179.1	173.3	1.7	12.47	37.00
Warner-Lambrt	WLA	42.25	39.25	41.50	2.25	5.73	42.25	28.75	.19	-.22	3.51	-17.51	2.81	.28 Q	10.7	7.0	7.1	14.4	1.48	3.6	05-06-85	3166.7	223.9	1.7	6.47	18.18
Zenith Labs	ZENI	44.75	39.50	42.13	-2.86	-6.39	45.25	8.00	1.07	.99	1.44	-13.90	.56	.52 Q	120.9	117.0	7.7	44.3	.00	.0	03-13-85	37.5	2.9	2.6	.55	3.97

All data is based on sources believed to be reliable, but its accuracy is not guaranteed. Every effort will be made to correct errors, when discovered, in future issues.

Footnotes: NA - Not Applicable; NC - Not Calculable; NE - Negative Earnings; NM - No Meaningful Figure; Q - First Quarter; S - First 6 Months; N - First 9 Months; F - Fiscal Year

Data and Table Prepared by Media General Financial Services, Inc., Richmond, Virginia 23219